


DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



July 17, 2000

TO: COUNTY WELFARE DIRECTORS

FROM:  JARVIO A. GREVIOUS, Deputy Director
Administration Division

SUBJECT: HIGHLIGHTS OF THE FINAL 2000-01 BUDGET

The purpose of this memo is to provide information on the major program funding adjustments that were included in the California Department of Social Services (CDSS) Budget for the 2000-01 Fiscal Year. Governor Davis signed the Budget June 30, 2000.

LOCAL ASSISTANCE**California Work Opportunity and Responsibility to Kids (CalWORKs) Program**

The final budget provides over \$5.5 billion (all funds) for the CalWORKs Program. This includes \$3.3 billion for CalWORKs Assistance Payments, \$1.1 billion for CalWORKs Services, \$487 million for CalWORKs Administration, \$476 million for Child Care, \$201 million for County Probation Facilities and \$26 million for the Kinship Guardianship Assistance Payment (KinGAP) Program.

Major features in the CalWORKs budget include the following:

CalWORKs Assistance

- The budget assumes the CalWORKs caseload will continue to decline through 2000-01.
- A cost of living adjustment (COLA) of 2.96 percent is included for the Maximum Aid Payment (MAP), effective October 1, 2000, at a cost of \$89 million.

CalWORKs Services

- CalWORKs employment services are fully funded at \$751 million. This figure reflects the implementation of the cost-based budgeting methodology for employment services.
- CalWORKs Mental Health and Substance Abuse services are fully funded at \$109 million.

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- The budget provides \$250 million for County Performance Incentives (all Temporary Assistance for Needy Families (TANF) funds). The budget trailer bill, AB 2876, makes changes to the performance incentive program, including revising the methodology for calculating county incentives, limiting total incentives to the amount appropriated in the budget act for that purpose, and allowing counties to use up to 25% of their incentive funds to serve a broader group of "needy families."
- The \$20 million TANF bonus that California received for reducing out-of-wedlock births will be provided to the Department of Health Services for the Community Challenge Grant Program.
- The budget includes legislative augmentations of \$150,000 for the Valley Trauma Center - Bilingual Services, and \$500,000 for OAL The WARD Family Life Program.

CalWORKs Child Care

- CalWORKs Stage I Child Care is fully funded at \$468 million.
- TANF funds are transferred to the Child Care and Development Fund for Stage II Child Care (\$419 million).
- A \$128 million reserve is budgeted for transfer to Stage I and/or Stage II Child Care, as needed.

TANF Reserve

- The Budget provides a TANF reserve of \$55 million, which includes the TANF high performance bonus and other uncommitted TANF funds. An additional \$36 million in TANF funds is available but unbudgeted.

Foster Care

- The Budget provides an augmentation of \$5.5 million dollars General Fund for Group Homes and Foster Family Agencies. The augmentation will be a Wage Pass through resulting in an increase in the foster care group home and Foster Family Agency rates.
- The Budget provides \$350,000 for a foster care facility for the Girls INC of Alameda County. This funding has been introduced for the first time this fiscal year.

California Food Assistance Program (CFAP)

The budget contains \$49 million for CFAP payments and \$2 million for CFAP county administration. The budget continues eligibility for CFAP for an additional year for immigrants who arrived after August 1996.

Food Stamp Program

The budget provides \$3 million in TANF funds for Food Stamp Outreach.

Automation Projects

The budget includes a total of \$143 million for Automation Projects. These funds include \$23 million for maintenance and operations of the Interim Statewide Automated Welfare System (ISAWS), \$41 million for implementation of the Welfare Client Data System, and \$22 million for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) System. In addition, \$12 million is provided for development and implementation of Consortium IV (C-IV), \$8 million is budgeted for Consortia Planning and Management, \$6 million is included to complete development of the Welfare Data Tracking Implementation Project (WDTIP), and \$8 million is budgeted to complete development of the ISAWS Welfare Reform and Infrastructure Modifications (WRIM). The budget also includes \$17 million for the Statewide Fingerprint Imaging System (SFIS) and \$7 million for the Electronic Benefit Transfer (EBT) project.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) and In-Home Supportive Services (IHSS) Programs

The budget provides \$9.0 billion for the SSI/SSP and IHSS Programs including county share and reimbursements. This includes \$6.9 billion for SSI/SSP and \$2.1 billion for IHSS. Major features in the SSI/SSP and IHSS Budget include the following:

SSI/SSP

- The Budget provides a 2.96% COLA (\$43.2 million General Fund).

In-Home Supportive Services (IHSS)

- The Budget provides \$3.7 million General Fund for the 3% COLA for half-year for the IHSS Non-PA Wage Increase.
- The Budget includes a reduction of \$5 million to the General Fund need in IHSS program due to maximizing federal funds.
- The Budget provides \$9.4 million General Fund for the MACR increase.
- The Budget provides \$34.2 million General Fund for the Health Benefits for Public Authority.
- The Budget provides \$110 million General Fund for Public Authority wage increase (and associated taxes) from \$5.75 to \$7.50 an hour.

- The Budget provides an augmentation of \$207,000 General Fund for the IHSS pilot project in San Diego County. These funds shall be available for expenditure only upon receipt of any necessary federal approvals and if no other funding source is available.

Social Service Programs

The Budget provides \$2.0 billion for Social Service Programs. This includes \$1.8 billion for Children's Services and \$65.7 million for the Adult Protective Services augmentation. Major features in the Social Service Programs Budget include the following:

- The Budget provides an augmentation of \$4.1 million dollars Federal Funds for the Federal Pass-Through IV-E program. The augmentation will augment a contract with the Chancellor's Office of the California Community Colleges that provide foster parent training for foster parents to become eligible to care for children placed in foster care.
- The Budget provides \$200,000 for the San Francisco Child Abuse Prevention Center. This is a new program.
- The Budget provides \$300,000 for the Shelter Against Violent Environments. This is a new program.